

Senator Kent Conrad (D-ND) - Senate Floor Statement on Amendment to Railroad Retirement Bill - 12/4/01

Mr. President, I rise today to support the amendment of the Senator from New Mexico, the distinguished ranking member of the Budget Committee. I ask unanimous consent to be added as a cosponsor to his amendment.

...

I thank the Senator. My great-grandfather was a foreman on the railroad. My great-grandparents, when they went on their honeymoon, went on a pushcart for 100 miles on the railroad.

I do strongly favor this bill. I have to answer to my responsibility as chairman of the Budget Committee and as a Member of this body to be accurate with our colleagues as to the scoring of this legislation.

Directed scoring, if we are to be blunt about it, is to say something doesn't cost when we know that it does. I have an obligation to my colleagues to report accurately to them this legislation. I have been a staunch supporter of this bill the entire time it has been before the Senate. It represents an extraordinary effort by the rail companies and their employees and labor to work together to improve the lives of thousands and thousands of rail workers and their families.

I agree this legislation provides an important opportunity to modernize the rail pension program. I have received countless e-mails, phone calls, faxes, and letters from North Dakota rail workers and their spouses who have told me how important this legislation is to them and their families.

Some of my dearest friends and strongest supporters are in favor of this legislation. I am in favor of the legislation. But I have a special responsibility as chairman of the Budget Committee to give an accurate assessment to our colleagues of the cost of legislation that moves through this Chamber. That is an obligation I take seriously.

The directed scorekeeping provision creates the impression that the cost of this legislation in fiscal year 2002 has dropped from \$16 billion to \$250 million. In reality, with or without directed scorekeeping, the impact on the budget in 2002 is precisely the same. It is not \$250 million; it is \$16 billion.

That is the reality. That is the fact. With this amendment, the Senator from New Mexico has provided us with a second chance to review the directed scorekeeping provision of this bill. He is right to do so. That is why I have joined him in this effort.

Traditionally, those of us with special responsibility for the budget have vigorously opposed directed scorekeeping because it fundamentally undercuts the entire system of budget controls and budget discipline that is so important to the United States being fiscally prudent and wise. We cannot do our job of being stewards of the finances of this country if we don't report accurately and honestly to our colleagues the cost of legislation.

That is the most fundamental responsibility of any Budget Committee chairman and ranking member. Senator Domenici and I are meeting our responsibility by saying to our colleagues the simple fact is, this bill is going to cost \$16 billion in fiscal year 2002 no matter what the directed scorekeeping provision says. You can make it up, but it is not true. The fact is, the impact on the federal budget will be \$16 billion.

That is a cost for which I am willing to vote and support, but I am not willing to say it is something it is not. That is not, in my view, the appropriate role for any Budget Committee chairman.

It is not just a matter of \$16 billion in fiscal year 2002; it has much greater significance than that. If we establish the precedent that through directed scorekeeping we can say a \$16 billion expense is really a \$250 million expense, what is next? I predict what is next is: When we get to the reform of Social Security, some will say we can simply take a trillion dollars of the Social Security trust fund and move it over into private accounts and say there has been no expenditure. That is the implication of this vote and why it matters. If we say on this bill you can take something that cost \$16 billion and, by legislative language, direct the scorekeeping and say it doesn't cost \$16 billion, it costs \$250 million, then others may try to take a \$1 trillion transfer of Social Security money and say it is cost free.

If we start down that path, we will rue the day, if we go down the path of creating fiscal fictions in this Chamber in order to accomplish even the best of intentions.

This is a good bill. It is worthy of support. But the price cannot be, should not be, must not be that we say to the American people that a bill that costs \$16 billion only costs \$250 million. That cannot be the way we do business in the Senate.

If that is the direction we take, I repeat to my colleagues the implication because I believe the next step will be in the Social Security reform debate, that others will try to say: A trillion dollars taken out of the Social Security trust fund and moved into private accounts doesn't cost anything. It is cost free.

That would not be true. That would be totally misleading. The money that is in the Social Security trust fund that has been credited to the Social Security trust fund, to be more accurate, has been credited to that fund to meet current promises, promises already made. We can't take that money and make a new set of promises and use the money that was raised to keep the previous promises. It won't work. We can't use the same money twice.

You can't use the same money twice. That is what will lead us into the swamp of deficits and debt and disastrous economic decline. Make no mistake, what is at stake here is a big deal. This matters. This is not a free vote. I remain committed to this legislation, but I also remain committed to being straight with our colleagues and our countrymen as to the cost of the legislation that is before us.

Our friends in the House included this directed scorekeeping back in July. It was a mistake then; it would be a mistake for us to repeat it here. Those who say, well, this kills the bill --I don't accept that. This legislation has to go back for further action in the House in any event because of the way it has come before us. It has to go back to the House for action in any event.

Let's pass this legislation, but let's do it right and let's do it by being straight with our colleagues and our countrymen as to its cost.